

761—921.9 (324A) Joint participation agreement close and audits.

921.9(1) Each transit system receiving advance allocations shall, as part of the end-of-the-year financial and statistical report, calculate the total joint participation agreement amount eligible for payment by the department within the limits stated in the joint participation agreement. This eligible joint participation agreement amount shall be compared to the total amount of the advance allocations for that joint participation agreement. If the advance allocations' total is greater than the eligible joint participation agreement amount, the transit system must repay the department the difference. After verification of these calculations, the department shall issue to the public transit system an invoice for the amount of the required repayment. Failure to make this repayment shall be grounds for:

- a.* Termination of other transit assistance joint participation agreements with that transit system,
- b.* Suspension or termination of further advance allocations made on future joint participation agreements,
- c.* Reduction of department participation in existing or future joint participation agreements, or
- d.* Reducing future joint participation agreement reimbursement requests of the transit system by an amount not to exceed the unpaid debt owed the department and crediting the outstanding debt of the project being closed out.

921.9(2) The department may institute any such action(s) as stated in subrule 921.9(1) above and shall notify any transit system of such action taken against the transit system.

921.9(3) After the repayment and end-of-the-year financial and statistical reports are submitted, or after the department has instituted any action(s) for failure to do so, the department shall audit the transit system's books, accounts, records and other material and information necessary to determine joint participation agreement compliance. The advance allocations paid to the transit system shall be taken into consideration and made part of the amount to be audited.